DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

Petition for Exemption from the Federal Motor Vehicle Motor Theft Prevention Standard; TOYOTA

AGENCY: National Highway Traffic Safety Administration (NHTSA), Department of Transportation (DOT).

ACTION: Grant of petition for exemption.

SUMMARY: This document grants in full the petition of Toyota Motor North America, Inc's., (Toyota) petition for an exemption of the Prius vehicle line in accordance with 49 CFR Part 543, Exemption from the Theft Prevention Standard. This petition is granted because the agency has determined that the antitheft device to be placed on the line as standard equipment is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the Theft Prevention Standard (49 CFR Part 541).

DATES: The exemption granted by this notice is effective beginning with model year (MY) 2013.

FOR FURTHER INFORMATION CONTACT: Ms. Deborah Mazyck, Office of International Policy, Fuel Economy and Consumer Standards, NHTSA, W43-443, 1200 New Jersey Avenue, S.E., Washington, D.C. 20590. Ms. Mazyck's phone number is (202) 366-4139. Her fax number is (202) 493-2990.

SUPPLEMENTARY INFORMATION: In a petition dated September 30, 2011, Toyota requested an exemption from the parts-marking requirements of the theft prevention standard (49 CFR Part 541) for the Prius vehicle line beginning with MY 2013. Toyota will offer both a hatchback and wagon model (Prius v) to the Prius passenger car vehicle line. The petition has been filed pursuant to 49 CFR 543, *Exemption from Vehicle Theft Prevention Standard,* based on the installation of an antitheft device as standard equipment for the entire vehicle line.

Under §543.5(a), a manufacturer may petition NHTSA to grant an exemption for one vehicle line per model year. In its petition, Toyota provided a detailed description and diagram of the identity, design, and location of the components of the antitheft device for the Prius vehicle line. Toyota stated that the Prius vehicle line will be equipped with a passive engine immobilizer device as standard equipment beginning with the 2013 model year. According to Toyota, the Prius vehicle line will offer a "smart key system" (keyless entry and push button start) and a "conventional key" entry system. Key components of the smart key system will include an engine immobilizer, certification electronic control unit (ECU), power source HV ECU, door control receiver, electrical key, power switch, transmission control ECU, electronic control module (ECM) and security indicator. The Prius v wagon will additionally include an ID code box component; however, the basic antitheft functionality and immobilization features will be the same. Toyota will also offer an audible and visual alarm as optional equipment on the Prius vehicle line. Toyota's submission is considered a complete petition as required by 49 CFR 543.7 in that it meets the general requirements contained in 543.5 and the specific content requirements of 543.6.

The vehicle is equipped with a smart key system that allows the driver to press the "ON" button located on the instrument panel to start the vehicle. The correct key has to be recognized by the ECM in order for the vehicle to start. According to Toyota, once the driver has pushed the "ON" button, the certification ECU verifies the key. When the key is verified, the certification ECU and transmission control ECU receive confirmation of the valid key and allows the ECM to start the engine. On the Prius v model, the certification ECU, transmission control ECU and ID code box receive confirmation of the valid key and then the ID code box allows the ECM to start the engine.

Toyota also stated that with the smart key system, the immobilizer is activated when the power button is pushed from the "ON" status to any other ignition status and the correct key is verified by the ECU. The device's security indicator will provide the immobilizer status for the Prius vehicle line. When the immobilizer is activated, the indicator flashes continuously. When the immobilizer is not activated, the indicator is turned off. The device is deactivated when the doors are unlocked and the device recognizes the key code from the smart key system.

Toyota also stated that there will be position switches installed in the vehicle to protect the hood and doors. Specifically, the position switches in the hood will trigger the antitheft device when they sense inappropriate opening of the hood. The position switches in the doors will trigger the antitheft device when they sense opening of the doors are being attempted without the use of a key, wireless switch or smart entry system.

In addressing the specific content requirements of 543.6, Toyota provided information on the reliability and durability of its proposed device. To ensure reliability and durability of the device, Toyota conducted tests based on its own specified standards. Toyota provided a detailed

list of the tests conducted (i.e., high and low temperature, strength, impact, vibration, electro-magnetic interference, etc.). Toyota stated that it believes that its device is reliable and durable because it complied with its own specific design standards and the device is installed in other vehicle lines for which the agency has granted a parts-marking exemption. As an additional measure of reliability and durability, Toyota stated that its vehicle key cylinders are covered with casting cases to prevent the key cylinder from easily being broken. There are so many key cylinder combinations and key plates for its gutter keys that it would be very difficult to unlock the doors without using a valid key.

To provide comparison, Toyota referenced NHTSA published theft rate data for the Prius vehicle line. Toyota stated that the average theft rate for the Prius for MY 2009 is 0.33 thefts per thousand vehicles produced. Toyota further stated that the Prius vehicle line has been equipped with an immobilizer since MY 2001. Toyota compared its proposed device with other devices NHTSA has determined to be as effective in reducing and deterring motor vehicle theft as would compliance with the parts-marking requirements (i.e., Toyota Camry and Corolla, Lexus LS and GS vehicle lines). The Toyota Camry and Corolla and Lexus LS and GS vehicle lines have all been granted parts-marking exemptions by the agency. The theft rates for the Toyota Camry, Toyota Corolla, Lexus LS and Lexus GS vehicle lines using an average of three model years' data, are 1.5734, 2.013, 0.9718 and 0.6780 respectively. Therefore, Toyota has concluded that the antitheft device proposed for its Prius vehicle line is no less effective than those devices in the lines for which NHTSA has already granted full exemption from the parts-marking requirements. Toyota believes that installing the immobilizer as standard equipment reduces the theft rate and expects the Prius to experience comparable effectiveness ultimately being more

effective than parts-marking labels.

Based on the evidence submitted by Toyota, the agency believes that the antitheft device for the Prius vehicle line is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the Theft Prevention Standard (49 CFR 541).

Pursuant to 49 U.S.C. 33106 and 49 CFR 543.7 (b), the agency grants a petition for exemption from the parts-marking requirements of Part 541, either in whole or in part, if it determines, based upon substantial evidence, that the standard equipment antitheft device is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of Part 541. The agency finds that Toyota has provided adequate reasons for its belief that the antitheft device for the Toyota Prius vehicle line is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the Theft Prevention Standard (49 CFR Part 541). This conclusion is based on the information Toyota provided about its device.

The agency concludes that the device will provide four or five of the types of performance listed in §543.6(a)(3): promoting activation; preventing defeat or circumvention of the device by unauthorized persons; preventing operation of the vehicle by unauthorized entrants; and ensuring the reliability and durability of the device.

For the foregoing reasons, the agency hereby grants in full Toyota's petition for exemption for the Toyota Prius vehicle line from the parts-marking requirements of 49 CFR Part 541. The agency notes that 49 CFR Part 541, Appendix A-1, identifies those lines that are exempted from the Theft Prevention Standard for a given model year. 49 CFR Part 543.7(f)

contains publication requirements incident to the disposition of all Part 543 petitions. Advanced listing, including the release of future product nameplates, the beginning model year for which the petition is granted, and a general description of the antitheft device are necessary in order to notify law enforcement agencies of new vehicle lines exempted from the parts marking requirements of the Theft Prevention Standard.

If Toyota decides not to use the exemption for this line, it should formally notify the agency. If such a decision is made, the line must be fully marked according to the requirements under 49 CFR Parts 541.5 and 541.6 (marking of major component parts and replacement parts).

NHTSA notes that if Toyota wishes in the future to modify the device on which this exemption is based, the company may have to submit a petition to modify the exemption. Part 543.7(d) states that a Part 543 exemption applies only to vehicles that belong to a line exempted under this part and equipped with the antitheft device on which the line's exemption is based. Further, Part 543.9(c)(2) provides for the submission of petitions "to modify an exemption to permit the use of an antitheft device similar to but differing from the one specified in that exemption."

The agency wishes to minimize the administrative burden that Part 543.9(c)(2) could place on exempted vehicle manufacturers and itself. In drafting Part 543, the agency did not intend to require the submission of a modification petition for every change to the components or design of an antitheft device. The significance of many such changes could be *de minimis*. Therefore, NHTSA suggests that if the manufacturer contemplates making any changes the effects of which might be characterized as *de minimis*, it should consult the agency before preparing and submitting a petition to modify.

Issued on: January 23, 2012

Christopher J. Bonanti
Associate Administrator for
Rulemaking

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Authority: 49 U.S.C. 33106; delegation of authority at 49 CFR 1.50.

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